



Foreign Agricultural Service

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## Turkey

## Oilseeds and Products

## Soybean Update

## 2003

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### Report Highlights:

**Turkish soybean production for MY2003 is now estimated to be 45,000 MT representing about a fifty-percent decline compared to last year. Fueled by the increase in poultry production, MY2002 soybean imports increased fourteen percent to 746,550 MT, and meal imports increased twenty-four percent to 461,300 MT. Despite the growing market, the U.S. has lost market share of soybean and meal imports due to price competition from South America -- a trend that is expected to continue. Soy oil imports, which were adversely affected by high world and U.S. prices declined significantly.**

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Includes PSD changes: Yes  
Includes Trade Matrix: Yes  
Unscheduled Report  
Ankara [TU1], TU

## GENERAL SUMMARY

MY2003 soybean area and production are now estimated at 15,000 hectares and 45,000 MT, representing a reduction in production of approximately fifty percent compared to last year. Farmers in the Cukurova region, where eighty percent of the local soybeans are grown, had difficulties marketing their crop last year and have shifted to corn. There is little interest to plant soybeans in the coming season as well. In recent years, the GOT has issued production bonuses for soybeans and other oilseeds to increase production of oilseeds. However, late payments and the relatively small amount of the payments are not helping to encourage production. Turkey will continue to be a net-importing country for soybeans and products for many years to come.

The poultry industry continues to be the major consumer of soybeans and soybean meal in Turkey. After two years of crisis, the local poultry industry has grown considerably in 2003. High red meat prices and the convenience of poultry products (special cuts and ready-to-consume value-added products) are encouraging consumers to buy poultry meat and products. Poultry production is expected to continue to increase in the future as well. The Turkish poultry industry is also hoping to become accredited by the E.U. during 2004 which will allow them to export to E.U. member countries.

Domestic soy oil consumption decreased about thirty-five percent in MY2002 to 170,000 MT and will show only a minor increase in MY2003 due to the high cost compared to other oils.

Total soybean imports during MY2002 reached 746,549 MT up fourteen percent from last year. Soybean meal imports during the MY2002 became 461,271 MT, up twenty-four percent. Imports of both commodities will continue to increase in coming years in the view of declining local production and increase in poultry production. Soybean imports are expected to show higher increases than soymeal as long as favorable domestic crushing margins continue.

Soy oil imports, however, declined about forty-eight percent to 130,665 MT during MY2002 and are expected to show a minor increase in MY2003 due to continuing high world prices.

The United States continues to be the market leader for both products, exporting 383,000 MT of soybeans and 231,550 MT of soybean meal in MY2002. This is currently is approximately fifty percent of total bean and meal imports. In previous years, the U.S. market share was as high as 85% for soybeans and 80% for soybean meal. The U.S. has lost market share due to the growing spread between U.S. and South American prices. When the spread is narrow, U.S. soybeans and meal are preferred. However, when the spread widens, as it has in the past year, buyers switch to South American production. U.S. exports of soy oil to Turkey declined to 16,400 MT from 85,200 MT a year ago due high world and U.S. soy oil prices.

Turkey is expected to continue to source soy oil imports from the E.U. because of the 60,000 MT crude soy oil and 2,000 MT refined soy oil TRQ agreement with the E.U. Turkey also has 9,300 MT crude soy oil tariff rate quota agreement with Romania.

PSD Table						
Country	Turkey					
Commodity	Oilseed, Soybean				(1000 HA)(1000 MT)	
	2001	Revised	2002	Estimate	2003	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		09/2001		09/2002		09/2003
Area Planted	0	0	0	0	0	0
Area Harvested	20	20	40	35	25	15
Beginning Stocks	50	50	50	80	50	127
Production	45	45	90	95	60	45
MY Imports	545	654	600	747	675	830
MY Imp. from U.S.	475	558	400	383	500	400
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	640	749	740	922	785	1002
MY Exports	0	0	0	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Crush Dom. Consumption	160	190	295	255	370	340
Food Use Dom. Consump.	0	0	0	0	0	0
Feed,Seed,Waste Dm.Cn.	430	479	395	540	350	570
TOTAL Dom. Consumption	590	669	690	795	720	910
Ending Stocks	50	80	50	127	65	92
TOTAL DISTRIBUTION	640	749	740	922	785	1002
Calendar Year Imports	321	390	370	612	0	650
Calendar Yr Imp. U.S.	301	301	320	541	0	400
Calendar Year Exports	0	0	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

PSD Table						
Country	Turkey					
Commodity	Meal, Soybean				(1000 MT)(PERCENT)	
	2001	Revised	2002	Estimate	2003	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		09/2001		09/2002		09/2003
Crush	160	190	295	255	370	340
Extr. Rate, 999.9999	0.79375	0.8	0.79661	0.803922	0.67027	0.8
Beginning Stocks	50	50	30	60	55	93
Production	127	152	235	205	248	272
MY Imports	318	373	590	461	625	480
MY Imp. from U.S.	292	294	350	232	350	250
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	495	575	855	726	928	845
MY Exports	5	10	15	30	18	30
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	0	2	0	3	0	4
Feed Waste Dom. Consum	460	503	785	600	860	706
TOTAL Dom. Consumption	460	505	785	603	860	710
Ending Stocks	30	60	55	93	50	105
TOTAL DISTRIBUTION	495	575	855	726	928	845
Calendar Year Imports	378	378	500	379	0	400
Calendar Yr Imp. U.S.	307	307	330	262	0	200
Calendar Year Exports	8	8	15	15	0	25
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

PSD Table						
Country	Turkey					
Commodity	Oil, Soybean				(1000 MT)(PERCENT)	
	2001	Revised	2002	Estimate	2003	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		09/2001		09/2002		09/2003
Crush	160	190	295	255	370	340
Extr. Rate, 999.9999	0.175	0.184211	0.179661	0.176471	0.148649	0.179412
Beginning Stocks	5	5	15	25	5	19
Production	28	35	53	45	55	61
MY Imports	231	250	180	131	185	140
MY Imp. from U.S.	85	85	140	16	140	25
MY Imp. from the EC	40	93	40	85	40	90
TOTAL SUPPLY	264	290	248	201	245	220
MY Exports	45	5	10	12	0	15
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	31	30	33	20	35	30
Food Use Dom. Consump.	123	175	148	95	155	95
Feed Waste Dom. Consum	50	55	52	55	50	60
TOTAL Dom. Consumption	204	260	233	170	240	185
Ending Stocks	15	25	5	19	5	20
TOTAL DISTRIBUTION	264	290	248	201	245	220
Calendar Year Imports	155	176	150	175	0	120
Calendar Yr Imp. U.S.	41	62	120	42	0	30
Calendar Year Exports	1	1	5	6	0	10
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Import Trade Matrix			
Country	Turkey		
Commodity	Oilseed, Soybean		
Time period	MY2002	Units:	Metric tons
Imports for:	Sept/Aug		1
U.S.	383039	U.S.	
Others		Others	
Argentina	295632		
Brazil	54014		
Paraguay	13848		
China	16		
Total for Others	363510		0
Others not Listed			
Grand Total	746549		0

Import Trade Matrix			
Country	Turkey		
Commodity	Meal, Soybean		
Time period	MY2002	Units:	Metric tons
Imports for:	Sept/Aug		1
U.S.	231565	U.S.	
Others		Others	
Argentina	134587		
Brazil	79218		
Spain	6753		
Canada	5847		
Greece	2000		
Holland	1081		
England	200		
India	20		
Total for Others	229706		0
Others not Listed			
Grand Total	461271		0